MEMORANDUM OF UNDERSTANDING ON THE ISSUES OF HUMAN CAPITAL DEVELOPMENT, EDUCATION, ENVIRONMENTAL PROTECTION, ENERGY, AGRICULTURE, INFORMATION AND COMMUNICATION TECHNOLOGIES, AND TRADE.

A COLLABORATION FOR THE 21ST CENTURY BETWEEN THE REPUBLIC OF CHILE AND THE STATE OF CALIFORNIA

The Minister of Foreign Affairs for the Republic of Chile, the Secretary for Environmental Protection, the Secretary for Resources, and the Secretary for Agriculture of the State of California, hereinafter referred to as "the Parties":

ACKNOWLEDGING the excellent relationship between the Republic of Chile and the State of California:

RECOGNIZING that the Republic of Chile and the State of California are natural partners, given their similar natural environments, geography and climate, and a long standing relationship that was formalized through a series of agreements in the 1960's and further developed by continuous networking between universities, research centers and companies from both Parties;

ACKNOWLEDGING there is strong interest and support from a variety of institutions in the Republic of Chile and the State of California to promote mutually beneficial trade and commerce, capacity development, research development and innovative programs in the areas of common interest;

RECOGNIZING the need to protect our water resources and enhance water management and conservation;

CONSIDERING the existence of opportunities for collaboration which will enhance economic activity in and between the Republic of Chile and the State of California:

UNDERSTANDING the necessity to work together on issues that represent a common interest;

CALLING upon the Parties to work together to advance business practices that are both profitable and also have positive impacts on environmental stewardship and ecosystem conservation;

The Parties have reached the following understandings:

ARTICLE 1

The Republic of Chile and the State of California should coordinate efforts and promote collaboration through cooperative actions and initiatives focused particularly, but not exclusively, on the following areas:

- a) Human Capital development;
- b) Education;
- Environmental Protection (Including Public and Private Lands
 Protection and Wildlife and Habitat Conservation);
- d) Energy;
- e) Agriculture;
- f) Information and Communication Technology (ICT);
- g) Trade and business; and
- h) Any other area agreed upon between the Parties.

This Memorandum of Understanding (MOU) is based on the desire of the Republic of Chile and the State of California to open collaboration between their institutions, organizations, universities, research centers, companies and citizens, to nurture the friendship that exists between the Parties and to engage in mutually beneficial economic, commercial, technological and educational activities. The Parties commit themselves in good faith to implement this MOU to the fullest extent practicable. The Parties will also promote business-to-business activities between private entities, and encourage academic-to-academic partnerships between institutions of higher education. The Parties will also develop strong human and institutional networks encompassing undergraduate and graduate students, professors, researchers and fellowship programs.

ARTICLE 2

For this purpose, the Parties will encourage each of their corresponding agencies to participate actively in the above-mentioned areas, as well as to

encourage the participation of universities, enterprises, and institutions in the private sector and Non-Governmental Organizations (NGO's) both from Chile and California, that might contribute to successful implementation of this MOU.

ARTICLE 3

In order to achieve the objective of this MOU, the Parties will develop specific work plans focusing on priority areas referred to in Article 1, which should contain cooperative actions or, in some instances, projects, specific studies, research, and joint ventures.

Each specific work plan should include all necessary provisions for implementing the MOU and should include specifications on its scope, coordination and administration, resource allocation, expert and professional exchanges, administrative issues, and any other information deemed necessary for achieving the objectives outlined in this MOU.

In order to facilitate the implementation of this MOU, the Parties will designate a joint committee to coordinate the action plans developed pursuant to this MOU.

The Parties will finance activities under this MOU with resources allocated in their respective budgets, as these resources become available, and as stipulated by their own legislation. Each Party will pay for expenses related to its own participation, unless alternative financial mechanisms can be used for specific activities as appropriate and as authorized by law.

ARTICLE 4

The Parties agree that no confidential information shall be transferred under this MOU.

ARTICLE 5

The Parties acknowledge that this MOU is only intended to promote cooperation between the Parties and does not create any legally binding rights or obligations. To the extent any other provision of this MOU is inconsistent with this paragraph, this paragraph shall control.

ARTICLE 6

Cooperation under this MOU is to commence on the date of signature of this memorandum. This MOU may be amended in writing by the mutual consent of the Parties, specifying the effective date of the amendment.

Any of the Parties may terminate this MOU through written notification to the other Party thirty (30) calendar days in advance. Unless otherwise terminated in writing, this MOU is to remain in effect for a period of three years.

Signed in the City of Davis, California, United States of America, on June 12, 2008 in two equally authentic original copies, one in the Spanish language and the other in the English language.

FOR THE MINISTRY OF FOREIGN AFFAIRS OF THE REPUBLIC OF CHILE

FOR THE CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY OF THE STATE OF CALIFORNIA, UNITED STATES OF AMERICA

Alejandro Foxley, Minister Linda S. Adams,
Secretary for Environmental Protection

FOR THE CALIFORNIA DEPARTMENT OF
FOOD AND AGRICULTURE OF THE
STATE OF CALIFORNIA, UNITED STATES
OF AMERICA

FOR THE CALIFORNIA RESOURCES
AGENCY OF THE STATE OF CALIFORNIA,
UNITED STATES OF AMERICA

A. G. Kawamura,
Secretary for Food and Agriculture

Mike Chrisman, Secretary for Resources